

# Delaware is #1 Domicile for Insurance Risk Purchasing Groups

*Risk Retention Reporter Cites Exponential Growth In Past Two Years*

Dover – Delaware Insurance Commissioner Karen Weldin Stewart announced that 2011 reports show Delaware is now the top domicile for insurance risk purchasing groups. The Risk Retention Reporter (RRR), an esteemed insurance trade journal, reported in a recent issue that Delaware has become the leading domicile for Purchasing Groups (PGs). Delaware, with 145 registered PGs, took the top spot from longtime leader, Illinois.

A Purchasing Group is a business entity formed primarily to purchase liability insurance on a group basis for its members to cover their similar or related liability risks. A purchasing group is comprised of members whose businesses or activities have similar or related liability exposures due to common business, trade, product, services, premises or operations.

The RRR said in its article, “The numbers are based on information collected by the Risk Retention Reporter each month from a group of 14 ‘Pulse Points’ states and the numbers are based on active purchasing groups only.” The article continued, “.Since the last time the RRR reported on PG numbers, in June 2010, Delaware has gained an additional 19 groups surpassing Illinois’ dominant position. Delaware also has several more PGs in the works.”

Commissioner Stewart said, “Purchasing Groups fill a very real need by providing a means for small businesses with similar liability insurance risks to save premium dollars or to find difficult to place coverage by grouping together to obtain

their policies on a group basis. My team and I are gratified that our efforts to make Delaware an attractive domicile for insurance companies, captive insurers and now even purchasing groups, have been so successful. I'm pleased to see that so many insurance business entities are finding out that Delaware is a great domicile state."